



*United States Attorney
Southern District of New York*

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CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL,
JANICE OH
PUBLIC INFORMATION OFFICE
(212) 637-2600

**DEFENDANT FOUND GUILTY OF STEALING MORE THAN
\$120,000 FROM UNION TRAINING AND EDUCATION FUND**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that ABEBA McCRAY was found guilty by a jury of stealing more than \$120,000 from Local 1199's Hospital Training and Education Fund, a bank account to which minimum wage workers in the health care industry contributed for their own training and education and for scholarships for their children. According to the evidence at the 3-day trial before United States District Judge DAVID M. LAWSON, in Detroit federal court:

McCRAY obtained the account and routing numbers for Local 1199's account at JP Morgan Chase and, from August 2005 through February 2006, used that information to order over \$120,000 worth of unauthorized electronic transfers, over the telephone and the internet. Approximately \$70,000 of the fraudulent transfers went toward paying McCRAY's personal bills, including: over \$30,000 in student loans, and money owed to collection agencies, credit card companies, cell phone bills, cable bills, car payments, utility bills, and parking tickets. McCRAY reaped additional profits by paying with Local 1199's funds the personal bills of co-conspirators, for which she received cash payments in return.

McCRAY was indicted in October 2007 in the Southern District of New York, and the case was later transferred to federal court in Detroit. McCRAY was found guilty on all five counts charged in the Indictment: one count of conspiracy to commit bank fraud, one count of bank fraud, and three counts of wire fraud.

McCRAY, 34, of Highland Park, Michigan, faces a maximum potential sentence on all of the charges of 120 years in prison and a maximum fine of \$5 million or twice the gross pecuniary gain or loss from the offense. Sentencing is scheduled for January 20, 2009, in Detroit federal court before United States District Judge LAWSON.

Mr. GARCIA praised the investigative work of the Department of Education, Office of the Inspector General. Mr. GARCIA also thanked the United States Attorney's Office for the Eastern District of the Michigan for their continued assistance in the case.

Assistant United States Attorneys SEETHA RAMACHANDRAN and JOHN CRONAN are in charge of the prosecution.

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